

Fremont Co./ Teamsters Local 238 (Sheriff)

2004-2005
CEO-256
SECTOR-1

RE FACT FINDING BETWEEN

FREMONT COUNTY, IOWA
SHERIFF'S DEPARTMENT
Public Employer

and

TEAMSTERS LOCAL UNION 238
Employee Organization

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1. Authority

This fact finding takes place under the authority of the Iowa Public Employment Relations Act, Chapter 20 of the Iowa Code, section 20.21 and related PERB rules. The parties have waived any time frames not met, and have elected in lieu of formal hearing to submit exhibits and conduct oral argument. This took place in a long conference call held on May 31, 2005. The County Sheriff is represented by Renee Von Bokern, Esq and the Union is represented by Mike Stanfill, Business Agent.

2. Background and Issue

Fremont County is the most southern and western county in Iowa, bordering Missouri and Nebraska. In population (8,010) it ranks 90th of 99 Iowa Counties. Since 1985 the Fremont County Board of Supervisors (Sheriff's Department) has had a collective bargaining relationship with the International Brotherhood of Teamsters, Chauffeurs, Warehouse and Helpers of America ("Teamsters").¹ At present, Local No. 238 represents those regular employees of the Sheriff's Department holding classifications of sworn deputies, civil deputies, dispatchers and jailers. However, the present impasse is only as to the six deputy sheriffs; the dispatchers and jailers in this unit have already agreed to a wage increase effective July 1, 2005 of three percent.

The sole impasse issue between the county and its deputy sheriffs is the amount of their across the board wage increase for the single contract year starting July 1, 2005. The County's "formal" position is a zero percent increase. However, its submission clearly reveals--and party representatives concur-- that a suggested offer of three percent across the board was made to and

¹ The parties list the local as 238. The contract recites that the local is 147..) There is no explanation of record

rejected by the deputy sheriffs. The Union in turn officially demands a wage increase of six percent, or in the alternative, it seeks to return to a former contract method of calculating deputy salary as a percentage of the elected sheriff's salary and lists what should be the percentage of that salary.^{2 3}

3. Factors and Comparability

Fact finders in Iowa commonly take guidance from the factors listed for arbitrators to consider (see i.e. 20.22 (9)). Those factors are

- (a) past collective bargaining contracts between the parties including the bargaining that led up to such contracts
- (b) Comparison of wages, hours and conditions of employment of the involved public employees with those of other public employees doing comparable work, giving consideration to factors peculiar to the area and the classifications involved
- (c) The interests and welfare of the public, the ability of the public employer to finance economic adjustments and the effect of such adjustments on the normal standard of services
- (d) The power of the public employer to levy taxes and appropriate funds for the conduct of its operations

² Such a method was once in the labor contract (about 1989 to 1994) but was dropped in negotiations. The Union submission cites that earlier language as follows: "For the 1989-1990 and 1990-1991 fiscal years, a new Deputy.... with ILEA certification will receive 83% of the increase granted to the Sheriff by the Board of Supervisors.....a deputy with one year's experience will receive 84% of the increase granted to the Sheriff by the Board of Supervisors..." The Union here asserts that "since 1994 deputy sheriffs' annual wages have fallen from 84% of the sheriff's salary to 76%." The Employer points out that there was a *bargained* removal of the language presumably in exchange for other consideration or benefits. The basis was for the long ago bargained removal of this approach is not of record.

³ In support of this concept the Union submits a letter from Sheriff MacDonald dated last November 5, 2004 to the Board of Supervisors noting "an increase in several aspects of law enforcement in the past several years," and a resulting "accountability increase." The Sheriff writes to express his belief that "the employee's pay scale should reflect and compare to counties within the populace (sic) and that this can be accomplished by basing salaries in a percentage format comparable to the salary received by the sheriff."

Other, more unique party-proposed items of comparability son and related arguments have been considered and discussed below where appropriate..

The agreed comparables for Fremont County are all rural counties in southwest Iowa, containing no major city, and having populations both somewhat smaller, larger or about the same. No evidence was presented of a substantially different economy for any of them, although the Union notes that Fremont county is on an interstate (at its west border, proceeding north toward Omaha.) This, arguably, would allow access to better paying jobs, and explain the significantly greater "household income" (not per capita income) of Fremont County contained in one exhibit.

County Comparables	Population of County	Annual Wage 7-1-04 of deputy	Population per Deputy	Per Capita Income (yr 2000)
Adair	8,243	39,056	1648	24,739
Montgomery	11,771	29,567-36,959	1681	24,828
Union	11,369	33,530-36,837	3077	22,793
Adams	4,482	33,488-35,110*	1494	22,649
Fremont	8,010	31,930-33,551	1335	22,148
Ringgold	5,469	31,838-33,828	1094	21,518
Taylor	6,958	24,362-29,984	1739	20,464

The above figures are compiled by the undersigned from several party exhibits. Different population figures were provided by the Employer; the difference is not deemed significant. (* In listing its annual deputy salary, Adams County may have included the pay of its "First Deputy" (non b/u) in its calculations; Fremont County counsel Von Bokern reports that she spoke to Adams officials and that the more accurate Adams County *maximum* is \$33,050. Ringgold's auditor gave her only one figure for 2004 (\$31,838) By contrast, the Union calculated \$33,400 (more or less) for Ringgold. Difficulties with Ringgold as a comparable on wages are that it pays its deputies for (scheduled?) on call hours, and may include this in its annual total. (Ringgold

also divides its annual wage by those hours, thus showing a lower per hour rate and possibly depicting a higher annual salary but not for a comparable schedule of work.)⁴

While both Union County and Montgomery county deputy sheriffs have higher annual wages than deputies of Fremont County, the employer points out that both those counties "are considerably larger than Fremont county and the per capita personal income for them is greater, meaning that both by population and income, there is a greater ability to support the cost." Fremont County does not argue inability to pay.

Pattern of Settlement

The 7/1/05 upcoming increases to annual wages in the comparable counties are listed in employer exhibit 7, below. That information was obtained by questionnaires and phone calls.

County	7-01-05 increase	7-01-05 salaries
Adair	2.7	40,110
Union	2.8	37,868
Montgomery	3.0	37,910
Fremont		
Adams	2.7	33,942
Ringgold	4.0	33,119
Taylor	.0	29,869

I find significant that within Fremont County itself, the other members of this same bargaining unit have accepted a three percent increase, and that the County's secondary road unit members will receive a 2.9% increase. I find equally significant that, as shown above, the

⁴Despite all the difficulties comparing annual wages, for a variety of reasons, the per hour rate is of even less use in this analysis, as acknowledged by the parties. Sheriff work week schedules are different, the length of their work day varies, as does the point at which deputies would start to earn overtime is different. Even the reports of total hours on duty total per year (such as 2190 for Fremont, 2080 for most others, and a misleading 3120 for Ringgold) are viewed skeptically. These parties generally agree that the more appropriate level for my comparison is the maximum annual salary, a level reached after just one year or at most two years in Fremont

comparable counties, whether by contract negotiation/proceedings (unionized counties being Adair County, Union County, and Fremont) or by county board action (presumably Adams, Montgomery, Taylor and Ringgold), will receive increases in the range above-stated.

In my view, the pattern of settlements or administrative action among the comparables is also a significant factor. These are all rural counties, facing the same local economic circumstances and cost of living. The per capita personal income (using year 2000 figures) in all counties ranges from \$20,464 (Taylor) and \$21, 518 (Ringgold) at the low end to \$24,828 (Montgomery) at the high end. The Fremont per capita income is shown as \$22,148. The Fremont deputies here seek a six percent increase, yet the only county in the comparable group to receive above 3 percent is Ringgold, which has far more expensive health insurance, second in cost only to Taylor. For all other comparable counties except Ringgold, annual increases for the upcoming July 1 fiscal year range from 0% to 2.8%. A 3 percent increase if recommended for Fremont, would be identical, or slightly higher than the across the board increase for all other unionized employees *within* Fremont county. In addition, such increase falls at the upper end of the range for its comparables, again excepting Ringgold's 4 percent increase. Non-unionized Taylor deputies are to receive zero percent yet their employees face a monthly family coverage medical premium well more than twice that for Fremont (\$630 to \$260). Any particular financial difficulties or other reasons for the Taylor picture, if any, were not offered in evidence.

There is one perplexing statistic. The *household* income in Fremont County is far above the household incomes for the remaining counties. Household income, however, reflects the total earnings of as many persons as are in the household and that information is not provided. Union exhibit (p.11) shows an "average household county 2004 income" of \$57,475 for Fremont, with a drop to the next highest Montgomery (\$51,006) and then Adams (\$48,779). The rest of the comparables show such average household income as between \$33,304 for Ringgold going up to \$43,089 for Union County. This union exhibit lists the deputy sheriff wage as a percent of the county average household income. But this statistic has limited value, in that one is comparing a single person's income to that of an unknown size household.

Were I to use the union-argued ratio of the deputy annual salary to the sheriff annual salary as a guide, one sees a range in all other counties of the group, but also a definite pattern of a higher ratio. Adams, Adair and Ringgold are at 80-85%. Taylor is at 80% after three years. The ratio (for sworn deputies) for Montgomery is at 65-75% and Union County (which does not use this approach) still does work out to be at 84%. The Fremont County Sheriff had by his November 2004 letter made such a recommendation to the Board of Commissioners (Union p. 4) The Fremont ratio, as the Union argues, has over the years since 1994 fallen from 84% to 76%.

Health Insurance Premiums, Out of Pocket, and Maximum Exposure

The Employer has provided the following chart and related argument:

COMPARISON - OF HEALTH INSURANCE

<u>County</u>	Premium paid by employee (Family)	Deductible paid by employee <u>Single/Family</u>	OPM paid by employee <u>Single/Family</u>
Fremont	260.00	150/300	750/1500
Union	0 5% 10%(67.26)	1000/2000 500/1000 250/500	2000/4000 1500/3000 1000/2000
Adair	100.00	1000/2000 2000/4000 (7/05)	4000/8000
Montgomery	129.00	500/1000	X 1000/2000
Taylor	630.60	500/1000	1000/2000
Ringgold	577.00	750/1500	1500/3000
Adams	240.00	500/1000	
Average	290.00	583/1167	1875/3750

Fremont County employees enjoy a health insurance benefit that has no comparison. Employees are only responsible for \$150.00 of their medical expenses if they have single coverage and \$300.00 if they have family coverage. The County pays the next \$600.00 of medical expenses for single coverage and the next \$1200.00 of medical expenses for family coverage.

As the Fact-Finder will see in the next exhibits, Fremont County ranks in the middle of the comparability group on wages. However, Fremont County is devoting considerably more resources to the health insurance component of the employees' compensation package. Wages cannot be analyzed in isolation of the health insurance package. Bargaining is a trade off between these two extremely important components of an employee's overall compensation package.

This is current information and does not reflect changes that may be implemented in the comparable counties. This information does not inform or address what could be real differences in the concept of a covered medical expense. Nor do I have the actual cost to the employer. And the different aspects of coverage also may reflect different philosophies. For example, in Adair county the employee having family coverage pays \$1920 less in premiums per year ($\$260 - 100 \times 12$), than Fremont. This difference is nearly equal to the higher deductible for the Adair County employee. There would be real savings for Adair employees in the years (few and far between?) where family medical costs would total less than the up front deductibles. At the other extreme, there are counties in this group which charge their employees a great deal more per month as the employee share of family coverage yet still have higher deductibles. Adams charges its employees \$240 less per year for family coverage than Fremont, but it calls for \$700 per year more in family paid deductible. The out of pocket maximum (annual) chargeable to the employee shows lowest for Fremont County, by far. This would be a savings to the Deputy Sheriff who incurs, as is easily done, more than \$1500 in out of pocket costs for a whole family over a whole year. Compare to \$2000 for three other counties, and to \$3000 and \$8000 for two others. Adams County information is missing. (The employer sought to quantify the value of the differences with a per hour figure which I find too speculative.)

Unquestionably, a lower premium for family health insurance and/or a lower up front deductible and lower out of pocket maximum (OPM) are all economic factors albeit not as predictable a benefit as straight wages. Fremont County contends that its insurance package is "superb" and must be viewed as part of the bargain. It notes that all its other employee groups will receive the benefit of the same health insurance but have accepted it as part of an accepted whole package, whereas the deputy sheriffs seek to obtain a wage increase far greater than that given to its other employees while not accepting the rest of the package. The Employer also argues, and I agree, that it is impractical (if not impossible) to have different insurance plans in force for different groups of employees.⁵

Union Proposal: "Percentage of Elected Sheriff" method

A principal Union argument is that while the Fremont deputy sheriffs may "make a bit" in their health insurance benefit, when their wages are evaluated against the salary of the elected sheriff, they fare very poorly vis a vis the comparables. As Union official Stanfill argues "we've lost ground over the years." This refers to the ratio of deputy salaries to the elected sheriff salary. As an alternative to the proposed six percent across the board increase, the Union proposes to once again tie its deputy sheriffs wages to that of the elected official's salary.

If they received a three percent increase, the deputy sheriffs would then earn \$34,545 in

⁵ "Because the County is small, it is not feasible to have two insurance plans. Because the rest of the County employees....have agreed to the insurance benefits to be in effect....obviously the 6 deputy sheriffs will enjoy the same benefit plan...however they were not willing to accept the 3% wage increase." (County ex 1.)

annual salary (\$33,539 x 3%). They would then be receiving 77% of the salary of the elected Fremont County sheriff (\$44,768). The Union suggests however, that in the alternative, their annual wage again be pegged to the sheriff's salary at a range starting at 81% (starting deputies with no ILEA certification) up to 84% (after two years). An increase calculated at 84% of the sheriff's wage would result in a deputy annual wage of \$37,605. It would still leave the deputies in a close fourth place (about \$300 less than third place Montgomery and second place Union County. Such approach would give nearly a \$4,066 increase over the 2004 wages of \$33,539. It would also be a *twelve* percent increase. Thus, the Union is proposing two vastly different alternatives: a six percent increase (twice the average of all its comparables) or a calculation at 84% of the sheriff's salary, a twelve percent increase. The Union would also be obtaining through fact finding the return to an approach that the parties dropped eleven years ago. I would not merely be recommending an increase for one year, but I would be changing the entire methodology for determining deputy wages in Fremont County. Although it would appear that the "percentage approach" is still widely followed in the general area, I find such approach inappropriate for my role and also damaging to the parties' own future negotiation abilities.

Productivity Arguments

In support of the request for a far higher increase than the employer's informal offer, Union representative Stanfill urges this fact finder to take due note of the increased demands of the job in Fremont, and of the apparently greater activity of its deputy sheriffs. The Union argues that the workload and responsibilities of Fremont deputies have increased. The County replies that a "productivity" argument is an amorphous, moving target factor. The employer queries how one can evaluate which County's deputies "work harder" by use of such unexplained "piece rate" information as numbers of arrests made, calls received, square miles of the county roads to be covered. There is no precedent given to show such an approach in collective bargaining.

I agree that a "productivity" basis for comparison is hard to quantify. Comments beneath the information in the exhibit show that the methodology is different for recording activity in each of the counties. The raw statistics (Union page 6) are shown for four of the seven counties (Fremont plus three). They state that Fremont deputies answered 25,213 calls for service, more than twice its nearest comparable (Montgomery at 10,242) followed at an even greater distance by Taylor (754) and Union (1,156). No other counties have such data. It is stated that that the Fremont deputies are law enforcement officers not only for the county, but for three small cities within it.

Still per the "page 6 Union exhibit," Fremont deputies issued 894 citations. Only two other counties did a count of citations: Adair at 450 and Taylor at 485. Arrests are also shown to be highest in Fremont, including narcotics arrests. This same Union exhibit shows that (per an FBI crime reporting document) the "population per deputy" in Fremont is lower than that for five of its six comparables. Thus, one sees both a lower population per deputy and an apparent far greater activity (or better recording of activity) within the County. The distinction suggested is that the deputies have an interstate highway for which they can carry out enforcement; no other explanation was suggested. Neither the square miles of the County nor the miles of secondary

roads is significantly different than the comparables.

The employer protests not only such a "piece rate" analysis as contrary to the goals of the PERA, but as difficult to understand. Counsel points out that one does not know who is on duty, does not know what the calls are for. On the basis of this single exhibit, in essence I am asked to consider and reach a "productivity" finding to impact my recommendation as to wage increase.

What should be the effect of these raw statistics? There were no witnesses other than the party representatives, who could attest to the source or meaning of such an exhibit. It would be unique and a departure from the guidance of the IOWA PERA for me to rest a recommendation on such an "unknown." I can take note that the deputies for Fremont County, by their statistics, appear to be busier than the deputies in the other counties. That is all I can conclude.

4. Finding

This is a county with what can be termed notably higher work productivity of its deputy sheriffs, yet with one of the largest gaps between elected sheriff salary and deputy salary. The deputies rank in a low fourth position for annual wages. The internal settlements within Fremont county have been at the 2.9% and 3.0% range. The plan of health insurance contains an unusually beneficial low out of pocket in that after \$300 paid out per year (family), the employer pays "the next \$600" of medical costs (per counsel) as well as providing the low out of pocket maximum. I have considered the employer argument that the health insurance package must be viewed as an integral part of the transaction, and I give weight to that. But its value is less than quantifiable, since the savings are essentially there only if the medical costs are there. To attribute a per hour value to it is very speculative.


The external comparables show an average increase of 2.6%. The three highest paid county deputies are to receive 2.7, 2.8 and 3.0 for July of 2005. However, they will receive such percentage off of a much higher base wage already in place. By contrast, at present while Fremont holds fourth place within its "group of 7" and a three percent increase would keep it in that relative position, such increase would leave also it more than \$3,364 below third place Union county (\$37,910 less 34,545). Stated alternatively, Fremont is not merely in fourth place, it is in a "low" fourth place, closer to the fifth position than to the third.

To recommend a 3.5 percent increase would still leave the deputies in fourth place (at \$34,712 instead of the \$34,545 that would be the result of a 3.0 % increase.) There is some indication that the drop from sheriff's annual salary down to the deputy is a greater gap in Fremont than elsewhere. A 3.5 percent increase would move the deputies into a 77.55 ratio to the sheriff's own salary. This is NOT a finding that any particular ratio or any ratio at all need be applied. To return to a "bargained ratio" is up to the parties in their future negotiations. It is moreover, ill advised to place great significance on the "percentage ratio" approach in view of the guidance of PERA calling for other factors. Nonetheless, such ratio still gives a "picture" of how the matter is widely handled in county comparables of this group. I do not make a

recommendation based upon a ratio.

The conditions of employment of Fremont deputies are that their pay scale does not reflect their relatively higher job demands and their wages show a higher drop from the elected sheriff's wage than most other counties. I take note of the employer argument that the elected sheriff is not a comparable for the deputies, the sheriffs having their own "statewide" sheriffs group. I take note of the employer argument that use of the "percentage" approach negates the intent of PERA. Yet, while I am declining to recommend or adopt that approach, it remains a common one in at least four of the seven counties and has been useful to create a "picture" of the relationship of deputy to elected superior. That picture is somewhat morale damaging for Fremont deputies. It is comparative information only.

In summary, for all reasons discussed, I find that the 3.0% offer is low in view of the position of these deputies. I recommend that the deputies receive a general wage increase of 3.5 percent.


Ellen J. Alexander

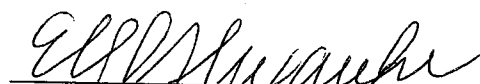
June 7, 2005

CERTIFICATE OF SERVICE . I certify that on the 7th day of June, 2005, I will submit this report for filing by personally mailing it to the Iowa Public Employment Relations Board, 510 East 12th St, Suite 1B, Des Moines IA 50319

I certify that on the 7th day of June 2004 I served the foregoing Report of Fact Finder upon each of the parties to this matter by mailing a copy to them at their respective addresses as shown below:

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Ellen J. Alexander, fact finder